

PTO RESPONSE TO 2024 INDEPENDENT SCHEME REVIEW



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INTRODUCTION

In July 2024, the Public Transport Ombudsman (PTO) Board engaged cameron.ralph.khoury to conduct an Independent Review of the PTO scheme. The review's purpose was to determine the PTO's performance against the six Benchmarks for Industry-based Customer Dispute Resolution ('the Benchmarks') and to assess the PTO's approach to governance and privacy.

The six Benchmarks are:

- accessibility
- independence
- fairness
- accountability
- efficiency
- effectiveness

The Review concluded that the PTO meets all six Benchmarks, and the requirements set by the Office of the Australian Information Commissioner for external dispute resolution schemes.

The PTO Board welcomes the findings and recommendations of the Independent Review of the PTO Report.

The review assesses the PTO as an effective, efficient Ombudsman scheme that delivers an accessible, independent dispute resolution service. It also recognises that the PTO has built a depth of experience and skill among its staff and matured its processes. It notes that the PTO is respected by staff of PTO members and regularly receives highly positive feedback from consumers.

The Review's recommendations highlight opportunities for the PTO to enhance our dispute resolution processes, improve consumer experience and contribute to systemic improvement across the public transport system.

Many of the themes identified by the Review align with programs of improvement the PTO has underway, or that have previously been identified as priority work areas.

The Review provides us with confidence that we are heading in the right direction and provides a clear path forward. The insights and recommendations of the Review will play an important role in our business planning and the development of our 2025-2028 Strategic Plan.

The PTO's response to the Review's recommendations is outlined below.

PTO RESPONSE TO RECOMMENDATIONS

RECOMMENDATION	PTO RESPONSE
Recommendation 1	
The PTO should commit the resources to undertake annual reviews of public transport operator compliance with PTO's <i>Member Awareness Policy</i> .	<p>We support this recommendation.</p> <p>The PTO's Member Awareness Policy guides our members on how to fulfil their obligation to ensure that their customers are aware of the PTO's complaint-handling service. We will undertake annual audits of member compliance with the policy.</p>
Recommendation 2	
The PTO should use the planned review of the Constitution and Charter to explore the separation of the Charter from the Constitution.	<p>We support this recommendation in principle.</p> <p>We recognise that there is substantial overlap between the Charter and Constitution and that it is timely to reconsider the need for this. We will consider reducing the overlap between these documents as part of the PTO's planned Charter and Constitution Review.</p> <p>Amendments to the Charter and Constitution require consultation with members and other stakeholders. PTO members must approve amendments to the Constitution and changes to the Charter require the approval of the Minister for Public and Active Transport.</p>

RECOMMENDATION	PTO RESPONSE
Recommendation 3	
<p>a) The PTO should review its complaint closure templates, and its training for staff about these, to improve written communications and ensure that correspondence is appropriate for the circumstances. Review of this correspondence should be undertaken as part of the PTO's Quality Assurance of closed complaint reviews.</p> <p>b) In particular, the PTO should ensure that its closure letters to consumers accurately explain the basis upon which the complaint is being closed. Where the only outcome provided to the consumer is a public transport operator explanation that the PTO accepts but the consumer rejects, the complaint resolution should not be described in the closure letter as 'Terms of Agreement'. Rather the PTO should be telling the consumer that the PTO considers that investigation is not warranted. The PTO's case management system should categorise the complaint accordingly for the purposes of annual reporting.</p>	<p>We support this recommendation, noting that it is one of several Review recommendations that identify opportunities to improve the clarity, timeliness and rigour of our dispute resolution processes.</p> <p>These recommendations will be actioned together as part of a planned Dispute Resolution Improvement Project. Project scoping, prioritisation and planning work for this project has commenced and the project will be delivered over the next 18 months.</p>
Recommendation 4	
<p>The PTO should enhance its tools and approaches to bring finality to difficult-to-resolve complaints. Possibilities might include evolving the PTO's Case Assessment practices, more frequently meeting with public transport operators to discuss complaints and three way phone meetings (operator, consumer and the PTO).</p>	<p>We support this recommendation and recognise the importance of resolving cases in a fair and timely manner.</p> <p>Work to enhance our approach to finalising difficult-to-resolve and long-running cases has commenced and we are currently reviewing our Case Handling Procedures to support this.</p> <p>Other opportunities to enhance our approach will be considered as part of our Dispute Resolution Improvement Project.</p>

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<p>Recommendation 5</p> <p>The PTO should enter into discussions with the Department of Transport and Planning to ensure that the approach taken by insurers in the sector is not in conflict with the Victorian public transport system commitments to and culture of customer service nor the PTO's ability to resolve disputes fairly and reasonably in all the circumstances.</p>	<p>We support this recommendation in principle.</p> <p>Although it isn't a common occurrence, PTO members occasionally cite insurance as a barrier to resolving a complaint through the PTO's processes. We agree that insurance arrangements should not prevent members' full participation in the PTO scheme.</p> <p>We will undertake further work to understand the scope and impact of this issue to inform engagement with the Department of Transport and Planning.</p>
<p>Recommendation 6</p> <p>The PTO should prioritise implementation of its <i>Quality Assurance Framework</i> and, in particular, hindsight reviews of closed complaints to test:</p> <ul style="list-style-type: none"> a) the quality of PTO correspondence b) whether the PTO is sufficiently and efficiently steering complaints, and c) whether it is achieving substantively fair outcomes – this should be undertaken with a view to some re-setting of PTO expectations of public transport operators' substantive response to valid consumer complaints. 	<p>We support this recommendation.</p> <p>We will take action to review, update and fully implement our Quality Assurance Framework to support our role as an independent complaint handling body. The review and implementation of the Quality Assurance Framework is a central component of our Dispute Resolution Improvement Project and will be prioritised within the projects' roll out schedule. This will ensure that the impact of improvement initiatives on case handling can be monitored and that staff are supported throughout the project.</p>

RECOMMENDATION	PTO RESPONSE
Recommendation 7	
<p>The PTO should review and update its internal guidance for complaint handling staff. This project should be seen as an opportunity to embed into PTO procedures some re-setting of PTO expectations of public transport operators' substantive response to valid consumer complaints.</p>	<p>We support this recommendation.</p> <p>A review of our Case Handling Procedures in consultation with members will be an important early stage of our Dispute Resolution Improvement Project. Other guidance material will be consolidated and a schedule for ongoing periodic review will be developed. Opportunities to integrate guidance materials into our case management software are also being explored.</p>
Recommendation 8	
<p>The PTO should undertake a comprehensive analysis each year of Customer Satisfaction Survey results and use this to inform its business planning. The Board should oversight this work.</p>	<p>We support this recommendation.</p> <p>We will build on planned work to improve consumer experiences through a focus on extracting actionable insights from our Customer Satisfaction Survey data. We will ensure that reporting to the Board is enhanced so that the qualitative insights gained support our strategic planning and operational effectiveness.</p>
Recommendation 9	
<p>The PTO should enhance its Annual Report by publishing more detailed statistical information about:</p> <ul style="list-style-type: none"> a) The method of resolution of complaints b) The outcomes from conciliated and investigated complaints c) PTO complaint handling timeframes d) Systemic issues. 	<p>We support this recommendation.</p> <p>Work to improve how we capture and report complaints data commenced in 2024, with the rollout of new case management software. This has laid the foundation for enhancements to our statistical reporting and data analysis capabilities.</p> <p>These data reporting enhancements will enable us to share and publish more detailed statistical case data, including detailed data about our systemic case work. This includes the publication of this data in future PTO Annual Reports.</p>

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Recommendation 10	
<p>The PTO's Board should receive regular updates from the Ombudsman about work to improve the PTO's complaint timeframes and the results that are being achieved, including timeframes to close prolonged conciliations and investigations.</p>	<p>We support this recommendation.</p> <p>The Board will continue to be updated on progress with case finalisation timeframes and will receive quarterly updates on the progress and impact of initiatives under the Dispute Resolution Improvement Project.</p>
Recommendation 11	
<p>The PTO's Charter should be amended to increase the PTO monetary limit.</p>	<p>We support this recommendation in principle.</p> <p>The PTO Charter currently limits our monetary jurisdiction to \$5,000 or \$10,000 with the consent of all parties. The scope of our planned Charter and Constitution Review includes consideration of an increase in the PTO's monetary limit.</p> <p>We note that amendments to the PTO Charter require consultation with our members and other stakeholders and approval from the Minister for Public and Active Transport.</p>
Recommendation 12	
<p>The PTO should:</p> <ul style="list-style-type: none"> a) Review and, in consultation with stakeholders, settle its systemic issue framework and procedures b) Implement the PTO's systemic issues framework and procedures under the leadership of the Ombudsman or Deputy Ombudsman c) Provide detailed reporting at least twice yearly about the PTO's systemic issues activity to the PTO's Board. d) Include in PTO Annual Reports statistical reporting about the PTO's systemic issues activity (number of matters and types of outcomes) and case study examples. 	<p>We support this recommendation.</p> <p>We will take action to review and finalise our Systemic Issues Framework and related procedures, and to ensure our systemic issues work is appropriately resourced.</p> <p>Data analysis and reporting enhancements will enhance our capacity to analyse complaint trends and produce statistical information about our systemic case work. This will improve reporting for the PTO Board and members and the inclusion of statistical data about systemic issues and cases in future Annual Reports.</p>

RECOMMENDATION	PTO RESPONSE
Recommendation 13	
<p>a) The Board Policy for Handling Complaints about the PTO should be amended to recognise that many complaints about the PTO are able to be resolved on the spot or within a couple of days of being raised with the PTO. It should only be where this is not possible that formal acknowledgement, investigation and written response be required.</p> <p>b) The Board should monitor complaints about the PTO by receiving 6 monthly reports specifying the number of these complaints, the issues raised, time to resolution, outcomes and any lessons learnt for the PTO.</p>	<p>We support this recommendation.</p> <p>We will take action by amending our Board Policy for Handling Complaints about the PTO ('PTO Complaints Policy') to reflect current PTO practice. As noted in the Review Report, complaints about how the PTO has handled a case are typically handled over-the-phone by a senior PTO staff member in the first instance.</p> <p>We will also expand the set of PTO-related complaints we report to the PTO Board to encompass all complaint levels in the PTO Complaints Policy.</p>
Recommendation 14	
<p>The PTO should periodically conduct a project to follow up consumers who the PTO has referred to their PTO member to understand their experience. The aim should be to gather data about the consumer 'drop out rate' and to understand the reasons for this. The project should inform advice that the PTO provides to the Department and public transport operators about the effectiveness of the operators' internal dispute resolution.</p>	<p>We support this recommendation.</p> <p>We will take action to develop a mechanism for eliciting feedback from consumers about their 'post-referral' experience, and a process for analysing and sharing this feedback.</p> <p>Insights gleaned will be used to inform continuous improvement of our own complaints-handling approaches and may highlight opportunities for the public transport sector to improve the consumer complaints handling experience overall.</p>
Recommendation 15	
<p>As part of PTO's review of the Constitution, PTO should consult with stakeholders about the amendment of clause 14.2 of the Constitution to adopt a more principles-based approach, led by the Board, to govern the appointment and rotation of Industry Directors.</p>	<p>We support the principle of this recommendation.</p> <p>The Report recognises that the current framework for the appointment and rotation of industry directors works effectively at present but notes greater flexibility may be desirable in future. The recommendation will be considered further in the upcoming review of the Constitution and Charter.</p>

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Recommendation 16	
<p>The PTO Board should provide feedback to the Department regarding the merits of appointing a Consumer Director who has a more explicitly consumer advocate background even if in another industry sector, for example, a person who has previously been a consumer director on another industry ombudsman scheme.</p>	<p>We support the principle of this recommendation in ensuring balanced and diverse perspectives are represented on the Board.</p> <p>We will explore opportunities to increase consumer expertise on the Board.</p>
Recommendation 17	
<p>The PTO should use its systemic issues jurisdiction to inquire into Authorised Officer practice of asking contravening passengers to use their mobile phone banking app as a way of verifying their identity where the passenger is unable to produce a driver's licence or other photo ID. The PTO could invite the Office of the Victorian Information Commissioner to work with it on this inquiry.</p>	<p>We note this recommendation.</p> <p>We will undertake a preliminary assessment of the issue of passenger identity verification through personal banking apps, with a view to determining the merits of progressing a systemic case.</p>



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